

CRIMINAL JUSTICE COMMITTEE - PRE-BUDGET SCRUTINY OF 2022/2023 BUDGET (SEPTEMBER 2021)

WRITTEN SUBMISSION FROM SCOTTISH POLICE AUTHORITY

Introduction

The Scottish Police Authority welcomes this opportunity to contribute to the Committee's Pre-budget Scrutiny of the 2022/2023 Budget.

The Authority and Police Scotland have jointly responded to the Committee's call for evidence and provided additional information in respect of previous budget allocations.

This further submission seeks to offer the Committee additional insight in respect of the Authority's strategic role and focus in setting a budget for the whole of policing, which includes Police Scotland, SPA Forensic Services and SPA Corporate.

Background

In January 2021, the Scottish Government's draft budget confirmed a £60m uplift in core revenue funding for policing and an additional £15m of one-off funding to support the in-year impact of COVID. This additional £60m in revenue funding allowed the Authority to address a recurring structural deficit in the police budget.

The additional investment in policing was welcomed and followed significant work by Police Scotland, the Authority and Scottish Government to understand the operating deficit, the savings achieved by police reform and the organisations' current cost base. As a direct result, policing was able to maintain the current workforce mix, which the Chief Constable has deemed necessary given significant operational demands such as Brexit, COVID and the forthcoming 26th Conference of the Parties (COP26). The funding was also recognised as a vote of confidence in policing and in particular the outstanding performance of the police service in protecting the country's safety and wellbeing during the pandemic.

As a result, the baseline financial position for policing has been reset. The Authority and Police Scotland's planning for future years is now focused on maintaining financial sustainability, delivering best value and investing in policing now and in the future.

Budget Planning

The Authority has been working closely with Police Scotland to develop and progress financial planning for the period ahead. Two core documents have recently been approved by the Authority which set out clearly the current known cost requirements for policing, spanning revenue, capital and reform.

In looking ahead, the Authority has set clear expectations that financial planning must be predicated on maintaining a balanced budget and financial sustainability for policing in the period ahead.

Five-year Financial Planning

A 5-year Financial Planning paper¹ was considered in detail by the Authority and subsequently approved on 29 September 2021. This document sets out the anticipated revenue, capital and reform requirements for policing between 2022 and 2027. The financial planning is based on a number of key assumptions:

- the total cost of the existing workforce (adjusted for unavoidable pay pressures over the period)
- the revenue impact of our current investment plans
- a significant reduction in income as a result of the pandemic, and
- additional funding will be available to support the transfer of services (such as post mortem toxicology services) and any key legislative changes.

The planning details three potential funding scenarios, providing an illustrative 5-year financial outlook of police finance over the period.

The Authority is confident that this a robust and accurate assessment of the financial requirements for policing available at this point, accepting the high degree of economic uncertainty as a result of the pandemic.

The plan also outlines a 5-year capital requirement totalling £466.1m. The Authority is confident that the capital investment proposed over the period will improve the conditions and equipment available to our officers and staff; enable an enhanced service to the public; develop co-location opportunities with partners; and create efficiencies through the use of new technologies.

The 5-year Financial Planning document is key in setting out the requirements for policing next year and in future years. It will inform our engagement with the Scottish Government on the development of a 2022/23 budget for policing.

¹ [rep-b-20210917-item-6-five-year-financial-plan.pdf \(spa.police.uk\)](#)

Capital Strategy

In support of the 5-year financial plan, the Authority has considered and approved the first Capital Strategy² for policing. The Strategy details the current and future planned capital investment required to ensure policing delivers on the strategic outcomes it has set, and continues to maintain an effective and efficient service that meets the needs of Scotland's communities. The Strategy details major and essential investment to improve our digital, data and ICT infrastructure; works to consolidate and improve the police estate, modernise our fleet and embrace greener technologies.

As detailed in both the 5-year Financial Plan and the Capital Strategy – the transformation programme requires capital investment beyond any previous levels and the continuation of reform funding. Settlements lower than required will initiate a strict prioritisation of the transformation and improvement programme. This will focus on the replacement of essential equipment with investment targeted to meet health and safety or legislative requirements.

The Authority is confident that this necessary capital investment outlined over the next 5 years will bring significant benefits to our workforce, the public and the efficiency of the service. As such, we will continue to press the Scottish Government for the capital investment required to deliver this plan.

Next Steps

There are a number of ongoing areas where the Authority has set expectations and Police Scotland is actively working to develop its understanding and evidence base to further inform financial and strategic planning in the period ahead. These include:

- developing an enhanced understanding of the current and growing demands on policing - including the impact of displaced demand where policing is playing a role more appropriately led by another service;
- understanding the capacity and productivity of our workforce;
- an assessment of the optimal workforce mix to meet the needs of the Service in the short, medium and long term.

Police Scotland recognises the value of robust demand data and analysis in informing resource and financial planning. HMICS has acknowledged in a recent Assurance Review³ that the Service had made significant efforts to develop its understanding of demand, and made a number of

² [rep-b-20210917-item-7-capital-strategy.pdf \(spa.police.uk\)](#)

³ [HMICS | HMICS Assurance review of Police Scotland demand analysis and management](#)

recommendations to evolve and improve this further which are being taken forward.

The Authority has also insisted as part of our approval of 5-year Financial Planning document that proposed timelines to further evolve Police Scotland's Strategic Workforce Plan be brought forward. A well-developed Strategic Workforce Plan will support Police Scotland make best use of its resources and ensure the right people are in the right place, at the right time. It is also an important element in supporting policing to deliver the aspirations of the Joint Strategy for Policing⁴.

Conclusion

Policing in Scotland is at an important and critical juncture. As a result of additional funding from the Scottish Government, a persistent structural deficit has been eliminated and the baseline for police funding reset.

The Authority is committed to sustaining this position and we have, along with Police Scotland, set out how policing can achieve this and also realise the transformation and improvement required in the period ahead.

Looking forward, the Authority will focus its governance and oversight on the strategic delivery of policing against the various strategic plans in place.

Scottish Police Authority
1 October 2021

⁴ [joint-strategy-for-policing-2020-v10-spa-amendment.pdf](#)